



California  
Department of  
Health Services

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State of California-Health and Human Services Agency  
**Department of Health Services**



ARNOLD SCHWARZENEGGER  
Governor

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N.L.: 24-0905  
Index: Eligibility

TO: ALL COUNTY CALIFORNIA CHILDREN'S SERVICES (CCS)  
ADMINISTRATORS, MEDICAL CONSULTANTS, AND STATE  
CHILDREN'S MEDICAL SERVICES (CMS) BRANCH STAFF

SUBJECT: CCS SERVICES FOR INFANTS BORN TO MOTHERS PARTICIPATING  
IN THE ACCESS TO INFANTS AND MOTHERS (AIM) PROGRAM WHO  
SUBSEQUENT TO BIRTH ARE ENROLLED IN THE HEALTHY  
FAMILIES (HF) PROGRAM

## **I. Background**

Effective July 1, 2004, the Health Budget Act Trailer Bill of 2003, AB 1762 (Chapter 301, Statutes of 2003) required that the Managed Risk Medical Insurance Board (MRMIB) enroll in HF infants born to mothers participating in the AIM program. These AIM-linked infants from families with incomes between 250 and 300 percent of Federal Poverty Level, will be allowed to continue HF coverage up to two years of age, at which time the family will be required to meet HF financial eligibility in order for the child to continue HF participation.

The statute provides that these infants can be enrolled into HF at anytime through the end of the eleventh month following the month of birth. This means that an AIM-linked infant could be potentially eligible for twelve months of retroactive HF coverage dating back to the date of birth, as long as the family pays the premiums.

There are seven plans participating in both the AIM and HF programs. They are Blue Cross, Contra Costa Health Plan, Health Net, Kaiser Permanente, Santa Barbara Regional Health Authority, Molina Healthcare, and Ventura County Health Care. Information about these plans is available in the AIM Handbook which is posted on the AIM website, [www.mrmib.ca.gov/MRMIB/AIM/AIM.pdf](http://www.mrmib.ca.gov/MRMIB/AIM/AIM.pdf).

CCS is responsible for authorizing and paying for health care services for infants born to AIM mothers who become HF subscribers, pursuant to the HF carve-out. These infants will be identified on MEDS with a new aid code, "0C". The HF administrative vendor, Maximus, began assigning this aid code on September 1, 2005, to newly identified AIM-linked infants. Maximus, will begin a conversion process to change the aid code (from 9H to OC) assigned to AIM-linked infants enrolled in HF prior to September 1, 2005.

The 2005 Health Budget Act Trailer Bill, AB 131 (Chapter 80, Statutes of 2005), added Section 123929 to the Health and Safety Code which reads:

- a. Except as otherwise provided in this section and Section 14133.05 of the Welfare and Institutions Code, CCS Program services provided pursuant to this article require prior authorization by the department or its designee. Prior authorization is contingent on determination by the department or its designee of all of the following:
  - 1) The child receiving the services is confirmed to be medically eligible for the CCS program.
  - 2) The provider of the services is approved in accordance with the standards of the CCS program.
  - 3) The services authorized are medically necessary to treat the child's CCS-eligible medical condition.
- b. Effective July 1, 2004, the department or its designee may approve a request for a treatment authorization that is otherwise in conformance with subdivision (a) for services for a child participating in the Healthy Families Program pursuant to clause (ii) of subparagraph (A) of paragraph (6) of subdivision (a) of Section 12693.70 of the Insurance Code, received by the department or its designee after the requested treatment has been provided to the child.
- c. Effective July 1, 2004, if a provider of services who meets the requirements of paragraph (2) of subdivision (a) incurs costs for services described in paragraph (3) of subdivision (a) to treat a child described in subdivision (b) who is subsequently determined to be medically eligible for

the CCS program as determined by the department or its designee, the department may reimburse the provider for those costs. Reimbursement under this section shall conform to the requirements of Section 14105.18 of the Welfare and Institutions Code.

## **II. POLICY**

- A. Each referral to the CCS program for an infant must be reviewed to determine if the child has AIM linkage to HF. These infants can be identified in MEDS by the aid code "0C".
- B. A referral for an AIM-linked infant will be processed in the same manner as any other referral to the CCS program for a HF subscriber and in accordance with CCS program policies and procedures (see NL 02-0203, dated July 2003).
- C. Upon determination of CCS medical eligibility, medically necessary services for these infants shall be authorized to CCS paneled and/or approved providers, in accordance with CCS program policies and procedures.
- D. Costs for services authorized for these infants shall be shared between the state and local CCS program in the same manner as for any other HF subscriber.
- E. Health care services that are provided prior to referral to the CCS program cannot be denied on the basis of lack of timeliness. Requests for these services shall be reviewed for medical necessity and to ensure that the provider is either CCS-paneled or approved.

## **III. POLICY IMPLEMENTATION**

- A. The referral of an infant (birth to one year of age) to CCS, from any source, shall be reviewed to determine whether the infant is an AIM-linked infant enrolled in the HF program. County CCS programs shall check MEDS to determine if the infant is assigned aid code "0C". If eligibility in HF cannot be confirmed in MEDS, the CCS program shall contact MRMIB to verify if the infant is an AIM-linked infant eligible for the HF program. (County CCS programs shall use their MRMIB designated contact for verifying eligibility).

- B. If enrollment in HF is confirmed, the policies for meeting CCS program eligibility for HF subscribers shall be applied, including deeming of financial eligibility for those families who are otherwise financially ineligible for CCS. CCS will continue to provide medical case management for any AIM-linked infant whose family does not complete the CCS application or program eligibility process, including signing a Program Services Agreement. The case will continue to be open as long as 1) the infant is medically eligible; 2) the HF coverage is maintained; and 3) the applicant/family accepts authorization of services to CCS paneled and approved providers.
- C. Claims for AIM-linked infants will be processed using the same funding sources that are currently used for HF. For infants whose family income is at or below \$40,000 the state and county share will be 17.5 percent each and the federal Title XXI share is 65 percent. There is no county share of cost for the services provided to infants whose family income is over \$40,000, based on MRMIB's verification.
- D. Services for all AIM-linked infants shall be authorized in the Children's Medical Services Network (CMSNet) legacy authorization system until further notice. Claims for services for AIM-linked infants from families with incomes of over \$40,000 per year should be handled in accordance with the instructions in N.L.: 02-0203.

If you have any questions regarding this Numbered Letter, please contact your CMS Regional Office Consultant.

**Original signed by Marian Dalsey, M.D., M.P.H.**

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Children's Medical Services Branch